

# INFORMATION LETTER

Not for  
Publication

## NATIONAL CANNERS ASSOCIATION

For Members  
Only

No. 888

Washington, D. C.

June 20, 1942

### QUESTIONS ON CANNED VEGETABLE PRICE CEILING ORDER ANSWERED BY OPA

#### Interpretations of Regulations Will Assist Canners in Preparing Required Reports

Following the issuance of Maximum Price Order No. 152 establishing price ceilings for specified canned vegetables, numerous questions were asked by canners as to the interpretation of this order. For the guidance of canners the Office of Price Administration has now issued the following series of questions and answers covering points that have been brought to its attention:

Q. Who is "the most closely competitive canner"?

A. The most closely competitive canner is, generally, one

- a. Who sells to the same class of buyers
- b. Who packs the same or similar quality range of the product in question
- c. Who has sold in the past at approximately the same prices as the canner establishing a maximum
- d. Who uses the same general merchandising methods
- e. Who is located in the same general area.

Q. Should the canner seeking to determine his maximum price take the price of the canner most closely competitive in general or most closely competitive on the particular commodity being priced?

A. He must take the maximum price of the canner most closely competitive on the particular commodity. For example, in establishing a maximum price for any grade or size of corn, the canner must look to his most closely competitive canner of corn.

Q. In establishing a maximum price for an unadvertised brand of any commodity, may a canner use the maximum price of a canner of a nationally advertised brand?

A. No. He must take the maximum price of the most closely competitive canner of an unadvertised brand for the same grade and container size. Canners of private label or unadvertised brands are not using the same general merchandising methods as canners of nationally advertised brands.

Q. If the nearby canners pack a distinctly different grade or quality of the commodity being priced, but other canners farther away pack the same or a similar grade or quality as the canner seeking to establish his maximum, should that canner take the price of the nearest canner or of the competitive canner packing the same grade or quality?

A. He should look to the competitive canner packing the same or a similar quality range. Of the competitive canners packing a similar quality range, he should select the one at the least distance from him.

Q. May a canner take the average of the maximum prices of his competitors?

A. No. He must determine who is his most closely competitive canner and take the price of that canner.

Q. If the canner establishing a price cannot determine his maximum by using the formula because one element of the formula is missing, may he take that one missing element from his most closely competitive canner?

A. No. He must be able to determine his own maximum completely under the formula or take the complete maximum of his most closely competitive canner. He may not compute a maximum by taking partly his own figures and partly the figures of a competitor to compute a maximum price under the formula.

Q. If a canner made no purchases or contracts to purchase raw materials prior to May 4, 1942, how does he determine his maximum prices on that commodity?

A. He takes the maximum prices of his most closely competitive canner of that commodity, since he cannot determine his maximum prices under the formula because one element, the increase in the cost of raw materials as of May 4, 1942, is missing.

Q. If a canner purchases all of his raw commodity on the market and has not yet made such purchases, how does he determine his maximum prices for that commodity?

A. By taking the maximum prices of his most closely competitive canner of that commodity. Here again he is unable to compute his maximum prices under the formula because there is one missing element. He cannot determine his increased cost of raw material before he has made purchases or contracts to purchase.

(Continued on page 7066)

### NEW SUGAR RATIONING PROVISIONS

#### Amendments Extend Allowance Time to Two Months; Add 3 Frozen Items to List

The Office of Price Administration has issued Amendment No. 3 to Sugar Rationing Order No. 3 which extends to two-month periods, the allowances for industrial sugar users and sets up certain other related provisions.

Under Amendment No. 3, institutional and industrial users may obtain sugar allowances for a two-month period, which is a one-month extension over the original regulation governing such allowances.

The original regulation permitted institutional and industrial users to obtain their first allowances from the date of registration, which was April 27 and 28, to June 30, and the allowances were to have been based on a monthly system thereafter.

Amendment No. 3 provides that applications for allotments of institutional and industrial users subsequent to June 30 shall be for consecutive two-month periods, the first of which commences on July 1.

The amendment provides that such applications must be filed not later than the fifth day of the first month of the period for which the application is being made, and not earlier than the 15th day of the month preceding the period.

The local war price and rationing boards are, however, authorized to accept applications at any time during the month preceding the allotment period and issue Sugar Pur-

chase Certificates for allotments in order to prevent the loss of fresh fruits, vegetables, eggs or dairy products or for other purposes authorized by OPA.

In these exceptional cases, a board may accept an application which is made for a period not to exceed one month in addition to the regular allotment period. This "advance allotment," if granted, will be deducted from the allotment for the following two-month period.

In cases where institutional and industrial users fail to file applications before the expiration of the first five days of the ration period, the local board may, at its discretion, issue a Sugar Purchase Certificate for the allotment minus the proportion applicable to the expired days of the period.

Another provision in Amendment No. 3 permits an authorized agent of an industrial or institutional user to make the applications for Sugar Purchase Certificates if a written authorization is filed with the Board authorizing such agent to sign the applications on behalf of the owner. Also the applications may be mailed instead of being taken personally to the offices of the local board.

New provisions of the sugar rationing regulations also were included in Amendment No. 2 to Order No. 3, and became effective June 19. Some of the revisions brought about by the amendment affect canners or are of interest to them, and are summarized as follows:

1. One provision strengthens the prohibition of any sugar trading outside the rationing program and is worded as follows: "except as otherwise expressly permitted in Rationing Order No. 3, deliveries of sugar shall be made only by and to, and accepted only by and from registered consumers, registering units and primary distributors."

2. The amendment corrects a clerical error in Table III of Section 1407.241 in which the sugar conversion factor to a case of 24 No. 2½'s from a case of 6 No. 10's was omitted. This factor is now established at .92.

3. Another provision adds three new fruits—blackberries, boysenberries, and pineapple, to the list of those for which sugar may be obtained for the purpose of freezing under Table IV of Section 1407.241 of Rationing Order No. 3. To the text of Table IV—Frozen Fruit, which was published in the April 25 INFORMATION LETTER on page 6969, should be added the following, according to the new amendment:

Product	Unit (quantity of fruit)	Quantity of sugar allowed in lbs. per unit of fruit		
		Packed in containers of 30-lb. weight or greater	Packed in wrapped packages	Pounds
Blackberries.....	4	None		1
Boysenberries.....	4	None		1
Pineapple.....	4	1		1

4. Two of the provisions of War Production Board Order M-55 dealing with primary distributors are incorporated by the amendment into Rationing Order No. 3. The first of these defines the zones into which primary distributors may and may not ship refined sugar. The purpose of the zoning is to retain in the Northeast all of the sugar refined in that area and to attract into the area as much sugar as possible from zones where it is more plentiful. Sugar delivered by primary distributors before the June 19 effective date of the new amendment, but still owned by the distributor on that date, which was not delivered in compliance with the zoning

restrictions must be sold and delivered prior to July 15, at or near the points to which such deliveries were made. The other section carried over from M-55 requires beet sugar refiners to hold for delivery as the Office of Price Administration may direct, the sugar that M-55 required them to hold and set aside 15 per cent of each month's production as OPA may direct.

### Emergency Sugar Shipments Out of Ohio, Indiana and Michigan Are Stopped by OPA

Orders for emergency movements of refined beet sugar by processors in Ohio, Indiana, and the lower peninsula of Michigan were cancelled June 12, by the Office of Price Administration. This action does not affect the orders under which sugar is moved from other areas of supply.

This Ohio-Indiana-Michigan area is itself a deficit area. Continued shipments out of these States, OPA stated, would create a further deficit which would have to be met by shipments from western beet and cane sugar refiners, requiring unjustified use of rail facilities.

On March 27, a War Production Board order directed all beet sugar processors to set aside 15 per cent of the sugar in their possession or control as well as 15 per cent of subsequent production, for shipment into deficit areas. (See April 4 INFORMATION LETTER.) This order was designed to assure adequate supplies of sugar for movement into deficit areas. OPA has directed this movement since the start of the sugar rationing program.

Last April, a sugar shortage developed in parts of Indiana and Ohio, particularly in the northeastern area of the latter State. Eastern sugar beet processors then were authorized to ship a portion of the sugar set aside by them into this area.

"This action does not affect beet sugar processors west of Chicago," Administrator Leon Henderson emphasized. "Shipments from the western beet sugar territory will be continued in order to maintain adequate stocks of sugar in the northeastern area against the possibility of further shipping cut-off or rail car shortage later in the year. These stocks will be augmented by shipments of refined cane sugar from California refineries."

### Directive on Sugar for Canned Fruit

The following directive was sent June 18 to buyers of the Army Quartermaster Depots from the office of J. Howard Hamilton, administrator of Order M-86:

Under Table II, Schedule A, Section 1407.241 of the Sugar Rationing Order No. 3 a fruit canner is restricted to 90 per cent of the average quantity of sugar used per unit of all grades during 1941.

To enable a fruit canner to make a uniform pack, of a specified grade, for civilian and government requirements, we will accept our percentage of the individual canner's pack if produced to conform with the Sugar Rationing Order No. 3, providing fruit meets with every other requirement of a specified grade.

This permitted tolerance in sugar content is satisfactory to the Agricultural Marketing Administration but does not in any way change any of the other specifications as to grade.

**Breton Heads OPA Canned Foods Section**

W. S. Breton, manager of the dried fruits division of Libby, McNeill & Libby, has been appointed chief of the Canned Foods Section of the Office of Price Administration. Mr. Breton replaces George Stevens, who has returned to his former position with Birdseye Frosted Foods.

**OPA REQUESTS FINANCIAL REPORTS****Expects Returns on a Voluntary Basis But Is Empowered to Compel Filing**

Section 202 of the Emergency Price Control Act of 1942 authorizes the Administrator to make such studies and investigations and to obtain such information as he deems necessary or proper to assist him in prescribing any regulation or order under the Act. Accordingly, the Office of Price Administration requested a number of canners to file annual and quarterly financial reports in accordance with the instructions contained in an accompanying instruction book. Leon Henderson's letter of transmittal stated that the request was part of a general program designed to provide OPA "with readily available basic financial information as to a large number of companies engaged in manufacturing, mining, construction, merchandising and other businesses. In conjunction with a wide range of other data, it will be used in effectuating the purposes of the Emergency Price Control Act of 1942."

OPA has requested this identical information from corporations in manufacturing and distribution industries, and other industries over which it has authority to control prices, but in a substantial number of cases it has selected corporations having assets of \$250,000 or more. If it should appear that returns from the selected group of corporations do not provide an intelligent picture of the industry, similar information will be requested of smaller companies. Only companies which have received the forms from OPA will be required to fill them out and send them in.

**Compliance**

Although the notice accompanying the request states specifically that this information is to be supplied voluntarily, it says: "Your attention is called, however, to Section 202 (b) of the Act which authorizes the Administrator to issue a regulation or order requiring such information."

It is believed that OPA expects to receive the returns on a voluntary basis, but if they are not received, undoubtedly the Administrator will not hesitate to invoke his powers under the Act to compel the filing of the information.

**Confidential Treatment of Returns**

The Instruction Book accompanying the forms quotes Section 202 (h) of the Price Control Act, which provides that the Administrator shall not publish or disclose any information obtained under the Act that the Administrator deems confidential or with reference to which a request for confidential treatment has been made, unless he determines that the withholding of such information is contrary to the interest of the national defense and security. Section 4(c) of the Act forbids the disclosure of this information by any officer or employee of the Government except in the course of official duty. Pursuant to these sections, a request is at-

tached at the end of each form requesting a list of each item on the form and each schedule for which confidential treatment is requested.

It is stated at OPA that every safeguard will be maintained to insure confidential handling of all information submitted for which such treatment is requested.

**Annual Report**

Form A, the Annual Financial Report, covers the most recent fiscal year ending prior to May, 1942, the month in which the requests were mailed by OPA. The term "fiscal year" refers to the annual accounting period adopted by the company. Where the fiscal year coincides with the calendar year, the annual report should be submitted within one month after receipt of the return. If a fiscal year is used, the report may be filed within three months following the close of such year, or within 30 days after receipt of the return, whichever is later. The information to be supplied on this form is quite detailed, but much of it will be relatively simple to compile, since it is quite similar to information which must be supplied to the Bureau of Internal Revenue and to the Securities and Exchange Commission. The information requested by this form is listed under the following general headings: 1. Affiliations; 2. Business; 3. Products and services; 4. Plants and other physical properties; 5. Management; and 6. Supplementary operating information. The annual financial statements requested are: Profit and loss statement, balance sheet, analysis of surplus, statement of cost of goods sold, fixed and intangible assets, reserves for fixed and intangible assets, and miscellaneous reserves.

**Quarterly Report**

Form B, the Interim Financial Report, should be filed within 30 days following the close of the first, second and third quarters of each fiscal year. The information requested in this form comes under the general headings: 1. Business developments; 2. Supplementary operating information; and 3. Interim financial statements. These quarterly financial statements are: Profit and loss statement, balance sheet, and statement of the cost of goods sold.

As Mr. Henderson stated in his letter, these reports are part of a general program, and have evidently been compiled to elicit information concerning all business generally, thus reflecting a method of reporting which does not make allowances for peculiar operating problems common to the canning industry. These interim reports require computation of financial information on a quarterly basis, which will correctly reflect conditions in a business operating on a year-round basis. Similar reports computed for seasonal industries, however, would result in distortions and inaccuracies. In the case of canners who in the early part of the year do no canning, Form B would reflect only the canner's carry-over, if any; and at the height of the packing season, when the taking of an inventory would be a practical impossibility, the report would reflect merely estimates subject to considerable change through weather, crop conditions, yields, labor supply, transportation, etc. Since these reports are intended to form the basis for determinations with respect to the Price Control Act, a canner might inadvertently do himself and the industry a great injustice by filing a report which, due to these circumstances beyond his control, would turn out to be both inaccurate and misleading.

**Use of Estimates**

These problems have been discussed with OPA, and it was stated that no inequities or hardships were intended to be imposed on canners as a group by this reporting program. OPA has stressed the fact that these reports would not have to be certified by independent public accountants (page 10 of Instruction Book), and that it is not intended that additional physical inventories should be taken for the sole purpose of filling out the quarterly report. Thus, where canners do not have accurate figures for particular items, estimated amounts may be reported. The canner using estimates should clearly indicate those items which are estimated, and should retain any working papers which are used in arriving at these estimates, so that a clear showing may be made that they are bona fide estimates. Page 11 of the Instruction Book specifically authorizes the use of estimates in these quarterly reports.

**Request for Postponement of Filing Date**

Although the use of estimates may remove the necessity for obtaining extensions of time for filing the quarterly reports, there may be a period when a quarterly report would not give an accurate and intelligent picture of the particular operations involved. This is particularly true of any period in which canning operations are not being carried on. In such cases, upon a clear showing that the period is not representative of the company's operations, OPA will waive the requirement for filing that particular quarterly report. In other situations, a canner may feel that a more accurate picture could be presented if the filing of the quarterly report were postponed until after the particular packing season had ended. Here again, OPA will grant the necessary extensions if convinced of the need.

While no elaborate, formal request is contemplated, in such cases a letter should be addressed to OPA setting forth a clear, concise statement of all the facts which justify either the request for extension or the request for permission to waive the filing of a particular quarterly report. In all cases, the canner should indicate the specific relief requested.

**Older Registrants to Receive Questionnaires**

Distribution of the occupational questionnaire to registrants in the non-military age group between 45 and 65 has been requested of local boards by National Headquarters, Selective Service System—as part of the plan to catalog the skills and work experience of the nation's manpower, it was announced June 17.

While the registrants in this group are not liable for military service under present laws, they nevertheless are required to complete their questionnaires and return them to their local boards as soon as possible. It was indicated that the documents will be sent to the older men within the next week or two.

The data obtained will be forwarded, through State directors of Selective Service, for use by the National Roster of Scientific and Specialized Personnel in locating persons with certain professional and scientific qualifications, and by the U. S. Employment Service for locating persons having skills in critical or essential occupations. The Bureau of the Census also will use certain of the data obtained from the occupational questionnaire.

**Stocks and Shipments of Green and Wax Beans**

Stocks of green and wax beans in canners' hands on June 1, 1942, were slightly more than half the amount in stock on the corresponding date last year, according to the Association's Division of Statistics.

Shipments from July 1, 1941 to June 1, 1942 amounted to 12,472,823 cases, as compared with 9,709,271 cases in the same period of the preceding season. The following table, furnishing detail by regions, is based on reports from 85 per cent of the canners packing green and wax beans in 1941, together with estimates for the 15 per cent not reporting:

GREEN BEANS:	Stocks June 1		Shipments during May		Shipments July 1 to June 1	
	1941	1942	1941	1942	1940-41	1941-42
Northeast.....	23,580	26,003	24,364	14,126	847,096	1,044,991
Middle Atlantic..	11,181	14,769	30,216	13,974	1,995,597	2,282,091
Mid-West.....	30,019	7,323	47,122	4,901	1,346,190	1,501,982
Western.....	127,139	43,417	127,174	37,861	2,687,804	3,006,922
Southern.....	12,748	16,105	14,317	14,978	1,419,327	2,911,988
Total Green.	204,076	107,619	243,103	85,840	8,296,014	10,838,844

  

WAX BEANS:	Stocks June 1		Shipments during May		Shipments July 1 to June 1	
	1941	1942	1941	1942	1940-41	1941-42
Northeast.....	21,634	17,940	38,148	9,705	524,235	740,029
Middle Atlantic..	764	1,477	1,633	2,009	181,903	103,329
Mid-West.....	10,065	2,453	19,773	2,911	602,869	591,354
Western.....	11,818	2,672	7,581	2,725	100,685	97,570
Southern.....	.....	.....	.....	.....	3,475	.....
Total Wax.	44,281	24,551	67,135	17,440	1,413,257	1,032,182

**Reorganization for Food Requirements**

To assist in handling new responsibilities imposed on the Department and the Secretary of Agriculture by the creation of the new Foods Requirements Committee of the War Production Board, Secretary Wickard on June 15 announced new appointments of four Department officials. The Secretary also announced changes affecting the immediate Office of the Secretary and the Office for Agricultural War Relations, the secretarial staff office for liaison with war agencies.

Former Governor M. Clifford Townsend of Indiana has been named Administrator of the Agricultural Conservation and Adjustment Administration succeeding R. M. Evans, who recently was appointed a governor of the Federal Reserve System.

Governor Townsend left the directorship of the Office for Agricultural War Relations to assume the ACAA post. To succeed him, Secretary Wickard appointed an assistant, S. B. Bledsoe, who will continue to be a member of the secretarial staff. The Secretary appointed another of his assistants, H. W. Parisius, associate director of the OAWR.

To provide liaison between the Department's economic and statistical services and the food supply planning functions of the Foods Requirements Committee, the Secretary created a new Division of Foods Requirements in the OAWR. This division will be headed by D. A. Fitzgerald, formerly of the Bureau of Agricultural Economics.

Mr. Bledsoe has been assigned as vice-chairman of the Foods Requirements Committee; Mr. Parisius as director of the general work of the Committee; and Mr. Fitzgerald in charge of the Committee's work of compiling data required in making forecasts of food needs.

### Stocks and Shipments of Canned Corn

Shipments of canned corn out of canners' hands during the months of August, 1941, through May, 1942, were over 8 1/4 million cases more than during the same period a year ago, according to figures compiled by the Association's Division of Statistics. Stocks on June 1, 1942, were 933,603 cases, as compared with 1,187,261 cases on June 1, 1941. Shipments during May, 1942, were about half a million cases less than shipments during the same month last year.

The following table compares stocks and shipments on selected dates:

Stocks:	Cases
June 1, 1942.....	933,603
May 1, 1942.....	1,187,261
June 1, 1941.....	1,187,261
Shipments:	
During May 1942.....	576,054
During May 1941.....	1,111,753
August 1, 1941 to June 1, 1942.....	26,250,912
August 1, 1940 to June 1, 1941.....	17,970,205

In the table below are shown stocks of canned corn in canners' hands on June 1, 1942, by varieties and regions:

	Eastern States	Western States
	Cases	Cases
Cream style:		
Evergreen.....	22,609	31,505
Narrow Grain.....	23,762	18,760
Country Gentleman.....	4,580	61,341
Crosby.....	13,068	1,119
Golden.....	220,825	255,544
Whole kernel:		
Bantam Golden.....	36,038	214,053
White.....	8,484	21,925
Total.....	320,866	604,337

These statistics of June 1 stocks are based on reports from 92 per cent of the canners who packed sweet corn in 1941, together with estimates for the 8 per cent not reporting.

Shipments of canned corn on the cob during May, 1942, amounted to: Eastern States, 1,719 cases; Western States, 20,259 cases. Total stocks of corn on the cob on June 1, 1942, amounted to 16,140 cases of which 3,242 cases were held in Eastern States and 12,898 cases in Western States.

### Price Regulations Covering Army Field Rations

Sales of United States Army Field Rations C, D, and K to government agencies were removed from the General Maximum Price Regulation, effective June 10, by the Office of Price Administration in Amendment No. 2 to Supplementary Regulation No. 4. This action of the price administration, however, does not affect the specific ceiling prices that had been established for sales to the Government of rations 1, 2, and 3 of type C when in 12-oz. containers. These specific ceiling prices were made effective in Maximum Price Regulation 156 and reported in the June 6 issue of the INFORMATION LETTER.

### 1941 Fruit Pack Statistics Published

Canned fruit pack statistics for 1941 have been compiled and published by the Association's Division of Statistics. The publication also contains comparisons of the packs of various canned fruits for several years past.

Copies of the bulletin, "Canned Food Pack Statistics: 1941, Part 2—Fruits," have been mailed to members of the Association. Additional copies may be obtained on request.

### LARGE FRUIT SUPPLY INDICATED

#### USDA Report of June 1 Conditions Forecasts Another Year of Heavy Production

Though forecasts of production are not yet available for all fruits, it now appears rather certain that the total fruit supply for the 1942-43 season will be nearly as large as the bumper 1941-42 production, the U. S. Department of Agriculture stated June 17.

Summaries from the Department's report on prospects as of June 1 covering the more important canning fruits are reproduced in part, as follows:

**Apples.**—The June 1 condition of apples in commercial areas was 68 per cent compared with 65 per cent a year earlier, and the 6-year (1934-39) average of 64 per cent. Condition the first of June was above the 6-year average in all major geographic regions except the South Central States where it was slightly below average. Bloom in most important areas was all that could be desired. But cool, wet weather interfered with pollination in many sections, and resulted in a set of fruit which was somewhat disappointing. Also, moderate spring frost damage occurred in some North Atlantic and Mid-western States.

**Peaches.**—Prospective production of peaches in 1942 is 67,418,000 bushels. This is 9 per cent less than last year's bumper crop, but 23 per cent above the 10-year (1930-39) average.

Peach prospects on June 1 in all of the 10 early southern States were generally good. Total production in these States is now indicated to be 21,898,000 bushels, which is about the same as indicated on May 1.

In the North Atlantic group of States, prospective production is about the same as the 10-year average, but 7 per cent below last year's crop.

California peach production is indicated to be the second largest of record (exceeded only by the 1930 production). The clingstone crop is estimated at 17,585,000 bushels compared with 13,834,000 bushels last year and the 10-year average of 15,143,000 bushels. Production of freestone varieties is placed at 9,792,000 bushels compared with 8,917,000 bushels last year and the 10-year average of 7,863,000 bushels.

The Colorado peach crop is indicated to be about 6 per cent above average, but 15 per cent below last year's large production.

**Pears.**—Total U. S. production of pears in 1942 is indicated to be 29,303,000 bushels—1 per cent less than in 1941 but 8 per cent more than the 10-year (1930-39) average. In most important areas, except California, growing conditions during May were favorable and the set of fruit is good.

In the three Pacific Coast States (California, Washington and Oregon), which usually produce about two-thirds of the total U. S. pear crop, Bartlett production is estimated at 14,850,000 bushels compared with 15,558,000 bushels in 1941 and the 10-year average of 13,636,000 bushels. Production of fall and winter pears in these three States is indicated to be 5,033,000 bushels, compared with 4,738,000 bushels last year and the 10-year average of 5,051,000 bushels.

**Cherries.**—Indicated production of all varieties of cherries in the 12 commercial States is 183,590 tons—13 per cent above last year, and 30 per cent above average. Production of sour varieties is expected to be 10 per cent larger than in 1941; sweet varieties, 16 per cent larger.

**Plums.**—California plum production is indicated to be 74,000 tons—4 per cent larger than last season and 15 per

cent larger than average. The first solid-car shipment of California plums moved on May 29, with 100 cars "rolling" during the first week of June. Condition of Michigan plums is 59 per cent, nearly average, but materially below last season.

*Citrus Fruits.*—Grapefruit production for 1941-42 is expected to total 39,812,000 boxes—8 per cent less than the large production of 1940-41. In Florida, Arizona, and California, harvest of late varieties for the summer market continues. Harvest is completed in Texas.

*Apricots.*—California apricot production, on the basis of the June 1 condition, is indicated to be 220,000 tons, compared with 198,000 tons last year and the 10-year (1930-39) average of 239,400 tons.

#### Pig Tin Price Schedule Is Amended

The maximum price schedule for pig tin—No. 17—has been amended to permit sale of certain metal produced by the electrolytic process at a price equal to that of the top grade of tin, the Office of Price Administration announced June 17.

It was pointed out that a plant has been established recently to undertake the electrolytic production of pig tin. Output is still in the experimental stage. The tin is produced from the Bolivian ores not utilized by the Metals Reserve Company. With the exception of its lead content, the impurities in this tin are well below the maximum tolerances permitted by the United States Treasury Department for Grade A tin. Aside from this the tin is of a very high grade, and for certain uses is equal or superior to tin meeting the specifications of the Treasury Department's Procurement Division, stated OPA.

All tin now is under priority control, and tin of the new grade is allocated by the War Production Board to uses in which the presence of lead is not detrimental, and may in fact be advantageous. Hence the maximum price at which it may be sold when allocated by WPB for such uses has been established as the same as that for grade A tin.

The maximum price is established in Amendment No. 2 to Revised Price Schedule No. 17, effective June 22, 1942.

The amendment in addition permits the payment of differentials for tin in special shapes. An amount not exceeding 1 1/4 cents per pound may be added on and after the effective date of the amendment to current maximum prices for tin made and sold at the request of the buyer in special shapes weighing not more than seven pounds. Special shapes weighing more than seven pounds may not be sold at the increased price.

#### Amendment Covers Computation of Spice Quotas

Spice quotas for food processors and other types of industrial receivers for restricted spices should be computed on the basis of the average monthly amount of spices they used in the corresponding quarter of 1941, according to Amendment No. 1 to Conservation Order M-127 and Order M-127-a as amended. In addition, fruit and vegetable packers are given the privilege of combining their spice quotas for June, July, August and September as they see fit during that seasonal period. Spices governed by the order and its amendment include black and white pepper, allspice, cinnamon, cloves, nutmeg, ginger, and mace.

#### Migratory Farm Workers Eligible for Gasoline

Migratory farm workers, now engaged in harvest activities in many sections of the East Coast gasoline-rationed area, may obtain whatever supply of gasoline they need to travel from job to job, the Office of Price Administration declared June 17.

OPA's statement, based on regulations governing the emergency plan for gasoline rationing, assured farmers needing the help of migratory workers during the summer season that they need not suffer hardship because of the gasoline rationing program.

Rationing regulations, OPA pointed out, provide for any supplementary rations needed for cars that must be driven in pursuit of a gainful occupation. Many migrant workers, like thousands of workers on war construction jobs throughout the East, need their cars to travel from one place of employment to another.

Application for additional supplies of gasoline for such travel should be made at a local rationing board. Under the OPA regulations, a local board is authorized to issue ration cards providing for purchase of gasoline needed for this purpose.

#### "Processes for Non-acid Canned Foods" Revised

The fifth edition of "Processes for Non-acid Canned Foods in Metal Containers," Bulletin 26-L, has been mailed to members of the Association. Additional copies are available for members who desire them.

Changes that have occurred in canning processes, new products, and new information contributed through experimental work of the Research Laboratories, have made necessary the publication of a new edition of this bulletin. The fourth edition was published in 1939.

New sections have been added to the introduction and former sections have been expanded so as to present an actual sequence of processing operations. Other innovations are the publication of summarized recommendations to canners and their retort operators. Included in the bulletin is a new daily process record card.

#### Data Asked on Dehydration Facilities

Following up its announcement of a program to encourage expansion of vegetable dehydration facilities, the Fruit and Vegetable Branch of the Agricultural Marketing Administration has sent to plants now engaged in vegetable dehydration and to other processors of perishable foods who may be interested in expanding or converting their facilities, a form on which to furnish data on their present facilities, contemplated dehydration, raw material supply, conversion possibilities, and marketing plans.

The Fruit and Vegetable Branch states that, owing to the need for selection of plants on the basis of location, suitability for conversion, and other points mentioned in its announcement of the program, the filing of an application for participation in the program does not necessarily assure approval. Processors have been urged to return the forms giving detailed information at the earliest possible date.

**AMA Buys Canned Tomato Futures**

The Agricultural Marketing Administration announced this past week that it had accepted offers of 60,000 cases of canned tomato futures thus bringing to a total of 338,200 cases the amount contracted for by the Department of Agriculture in its current purchase program. No offers for the sale of canned peas futures were received.

Included in other canned food purchases announced by AMA during the past week were 5,000 cases of beets, 4,000 cases of carrots, 6,000 cases of river herring, 450,000 pounds of canned ration, 28,545,844 pounds of canned pork products, and 1,010,500 cases of evaporated milk.

**Army Station to Handle Small Freight Shipments**

The Army opened a consolidating station in Chicago June 15 designed to alleviate the strain on railroad freight facilities by converting less-than-carload westbound shipments into solid carloads. This arrangement is expected to save considerable time, money, and freight cars in the handling of small but essential Army shipments. A further economy in the use of freight cars will be effected by using all means of transport such as truck, railroad, express and parcel post for all less-than-carload shipments originating within the range of an overnight haul of the consolidating station. Those means will again be used when the shipments are broken down at distribution stations for the final haul to their destination, the War Department explains.

The consolidating station will utilize the facilities of the Chicago Junction Railroad, adjacent to the Army's Quartermaster Depot. It will be able to handle ten freight cars and ten trucks simultaneously, and it will be possible to expand this capacity in the future, it is stated.

**Government Needs Food Industry Analysts**

The United States Civil Service Commission has announced the urgent need on the part of government war agencies for men and women who have had a broad background of training and experience in industry analysis. The Commission states that at the present time a number of such positions are open at \$3,800; \$4,600 and \$5,600 salary levels as research advisers concerned with studying and advising on problems relating to the conversion of specific canning or preserving industries to the production of food products for the armed forces. Persons who can investigate quick-freezing and cold-pack methods as a means of easing the load on the canning industry are particularly in demand, it is stated.

Persons interested in applying should obtain Form 8 and an application card (Form 4006-ABCD) from their nearest first- or second-class postoffice, fill them out, and mail them to the U. S. Civil Service Commission, 7th and F Sts. N. W., Washington, D. C. The Commission states it can arrange appointments for interested persons who happen to be in Washington.

Details of the duties and minimum qualifications for the positions are presented in Recruiting Circular 50 which may be obtained by writing to the Commission.

**REVISED WAR CLAUSE SUGGESTED****Changes Recognize That Wartime Orders Apply Despite Pre-existing Contracts**

The Emergency War Clause, originally formulated at the outbreak of the war in 1939 and recommended to the industry, has proved effective in protecting canners against necessary regulatory action arising out of the war. Inasmuch as the United States is now a belligerent and the technical form of many of the wartime restrictions has crystallized, it has been deemed desirable to suggest minor revisions in the clause formerly recommended.

These revisions generally take cognizance of the fact that this country is now at war, of the "limitation," "conservation" and "reservation" types of orders, and of the fact that many of these regulations apply despite pre-existing contracts. The revised form of clause follows:

If, during the present war or during any national emergency proclaimed by Congress or the President arising out of any foreign wars, (1) Seller's factory or factories or all or any portion of Seller's production are commandeered or requisitioned or reserved or otherwise acquired by the Federal Government; or (2) Seller's production or sales are directly or indirectly regulated or restricted by the Federal Government, or in any way limited by regulation or restriction of needed commodities or services; or (3) Seller is in compliance (whether such compliance is mandatory or not) with any government order, request, allocation, limitation order, conservation order, rationing order, reservation order, contract, allotment, notice, or "friendly commander," delivers to or reserves for the Government, or agencies or persons designated by the Government, all or any portion of Seller's production; or (4) Seller with reasonable effort and at reasonable cost is unable to obtain the raw materials, supplies, fuel, labor, or transportation necessary to enable it to fulfill its contracts; and as a result, Seller is unable to fulfill all of its contract commitments to all purchasers of any article covered by this contract, whether such contract is executed prior to or following any such government action or request, Seller may pro-rate among all such purchasers its available supply, if any, of such article, and a delivery of Buyer's pro rata share, if any, shall constitute a full performance of this contract. If under the conditions specified there is no available supply to be pro-rated, Seller shall not be liable for failure to deliver.

**Sales to Lend-lease Considered Domestic**

Sales of goods and commodities to such agencies as the Lend-lease Administration, British Purchasing Commission and British Air Commission are, in general, domestic sales subject either to specific domestic price schedules or regulations or to the General Maximum Price Regulation, Price Administrator Leon Henderson stated June 16.

In general, he added, they are subject to such schedules and regulations rather than the Maximum Export Price Regulation.

"In all cases in which an agency such as the Lend-lease Administration, the procurement agencies of the Treasury, or the British Purchasing Commission buys material f.o.b. or f.a.s., and takes title and all responsibility for the material at the factory door or on the shipping dock, the seller performs no exporting function and the sale is a domestic and not an export sale," the Price Administrator explained.

## QUESTIONS ON PRICE CEILING ORDER

(Continued from page 7059)

Q. How does a cooperative canner who does not purchase raw materials determine his maximum prices?

A. He must take the maximum prices of the most closely competitive canner of that commodity, because he cannot determine his increase in the cost of raw materials and, therefore, cannot use the formula. Canners growing their own products exclusively must use this method.

Q. How does a canner who grows part of his raw materials and purchases part determine his maximum prices?

A. He must use the formula if he purchased or contracted to purchase part of his raw material prior to May 4, 1942. He must use the prices paid or contracted to be paid before May 4 as the basis for comparing his cost of the raw agricultural commodity in 1942 with the cost of the raw material purchased in 1941.

Q. When reporting a maximum price obtained from a competitor, is it necessary to state the name and address of the competitor whose maximum price is used?

A. Yes.

Q. If the maximum price for any grade and size of canned vegetable cannot be determined by the formula or by the price of a competitor, is there any other method of determining the maximum price?

A. Yes. Under these circumstances, the maximum price shall be a price determined by the canner after specific authorization from the Office of Price Administration. A canner seeking such authorization should file an application setting forth the information required by paragraph (d) of Section 1341.22 of the Regulation.

Q. May a canner quote a price before approval by OPA?

A. Yes. A price determined by the formula or by the price of the closest competitive canner does not need approval to become operative. However, a price should not be quoted on an item which must be submitted for specific authorization until the canner has determined the price pursuant to the method authorized by OPA.

Q. If a canner paid a bonus to the grower of the raw product in 1941 does that enter into the cost of his raw material in 1941?

A. Yes. Any bonus paid to the grower in 1941 must be considered as part of the cost of the raw material in 1941.

Q. May a canner pay more to his growers for raw material after May 4, 1942, than he paid or contracted to pay before May 4?

A. Yes, but any additional increases paid or contracted to be paid after May 4 cannot be used in computing the cost of raw material in 1942 when using the formula.

Q. How many sales or how large a sale must a canner have made within 60 days after the beginning of the 1941 pack in order to use the price charged as his weighted average price or in computing his weighted average price?

A. The size or number of the sales is immaterial, if the sales were made in the usual course of business. One sale, if made in the usual course of business, would be sufficient to establish the weighted average price for the grade and can size sold. An accommodation sale from one canner to another is not deemed a sale in the normal course of business.

Q. What is the maximum price of a canner for resale of 1942 pack merchandise bought from another canner?

A. Each canner selling the merchandise must sell it no higher than his own ceiling for that particular kind, grade and container size.

Q. In determining his weighted average price, what price should a canner use when he made a direct sale to a chain store purchaser on a net basis?

A. He must use the actual price charged. If the sale was billed at a flat price, he must use that price. If the sale was billed at a price less a discount, he may use the price charged before deducting the discount.

Q. Does the cost of seed to the canner enter into the cost of his raw material in 1941 and 1942?

A. Yes. The cost of seed is considered as part of the cost of the raw commodity insofar as it is a payment for the raw material. The increased cost of seed bought or paid for by the canner may be considered in computing the increased cost of raw material. If the canner paid the grower for his material and in addition supplied the seed to the grower without charge, the cost of the raw material is the amount paid to the grower by the canner plus the cost of the seed to the canner. If the canner supplied seed to the grower at a price less than the cost of the seed to the canner, the cost of the raw material is the price paid the grower plus the difference between the cost of the seed to the canner and the lower price at which he sold the seed to the grower. If, on the other hand, the canner supplied the seed to the grower at a price higher than the cost of the seed to the canner, the canner has assumed no part of the cost of the seed, and the cost of the raw material is the price actually paid by the grower to the canner, without any consideration of seed cost.

Q. If the price paid for raw material in 1941 included services by the canner to the grower, but those services are not being rendered by the canner in 1942, does that affect the computation of the increased cost of raw material?

A. Yes. The cost should be computed on the same basis for both years. The canner must deduct from his 1942 cost of raw material the amount paid in 1941 for the service discontinued in 1942.

Q. If the canner had two or more factories and if they had the same f.o.b. prices in 1941 but the factory which had the greatest volume of production made no sales within the first 60 days after it started to pack in 1941, how should the canner determine the maximum prices for the factories?

A. He should determine the maximum prices by using in the formula the weighted average price of the factory having the next to largest volume of production based on the sales made by that factory within 60 days after that factory started to pack in 1941. The other elements entering into the formula should be based on the experience of the factory having the largest volume.

Q. If a canner has two factories and packed a commodity at one factory and shipped it to the other factory, what is his maximum price for that commodity?

A. The maximum price is the maximum determined for the factory where the commodity was actually packed. If the canner has different maximum prices at different factories, he cannot pack at one factory and ship the merchandise to a second factory and then use the maximum price of the second factory for that merchandise.

Q. If a canner purchases another factory after May 25, what are the maximum prices of the commodities produced at the purchased factory?

A. The maximum prices for the purchased factory are the same as they would have been if it were still operated by the former owner.

Q. If a canner owned two separate factories in different places and the f.o.b. prices at both factories were not the same in 1941, how are the maximum prices for these factories determined?

A. The maximum prices for the merchandise produced at each factory shall be separately computed for each factory according to the formula. The weighted average price shall be separately computed for each factory and the increase in the cost of raw material shall be separately computed for each factory. If the maximum prices cannot be computed for any particular grade and size of canned vegetable at either of the factories by use of the formula, the maximum prices for that factory shall be taken from the most closely competitive canner to that particular factory for the commodity in question.

Q. How is the cost of raw material computed with respect to yield and grade?

A. If the canner purchased material at a price per unit in 1941 and 1942 irrespective of grade, weighted average price for 1941 shall be obtained by dividing the total amount paid by the number of units purchased. The increase in cost in 1942 shall be the difference between that price and the average of the prices per unit paid or contracted to be paid in 1942, prior to May 4. In converting this increase to an increase per dozen cans, the actual yield per unit in dozens in 1941 shall be used as the yield for 1942. If the canner purchased material in 1941 and 1942 at a price per unit differing for each grade, the weighted average price for 1941 shall be the total amount paid divided by the total units purchased. The 1942 average price shall be based upon the prices paid or contracted to be paid in 1942 using the same weights as were experienced in 1941. For example, in 1941, assume the canner paid \$20 per ton for Grade I and obtained 1,000 tons of Grade I and paid \$12 per ton for Grade 2 and obtained 500 tons of Grade 2. His weighted average price for 1941 would be reached by taking \$20,000 paid for Grade I and \$6,000 paid for Grade 2, or a total of \$26,000 paid for 1,500 tons, making a weighted average cost per ton of \$17.33. If he paid or contracted to pay in 1942 the price of \$24 per ton for Grade I and \$15 per ton for Grade 2, using the same weights as in 1941, there would be 1,000 tons at \$24 and 500 tons at \$15 or a total of \$31,500 for 1,500 tons, making a cost of \$21 per ton in 1942, or an increase from \$17.33 per ton to \$21 per ton, amounting to an increase of \$3.67 per ton.

Q. If a canner had established brands and differentials between brands in 1941, does that enter into his maximum prices?

A. Yes. The maximum price for each brand may be separately computed under the formula. In computing the maximum price for a particular brand the canner may use in the formula the weighted average price of sales of that particular brand during the first 60 days after the beginning of the 1941 pack.

Q. If a canner uses a new brand for the first time in 1942, does that have any effect on his maximum price?

A. No. The maximum price for such a new brand shall be computed on the basis of grade and size. If the maximum price for such grade and size cannot be computed under the formula, the canner shall take the maximum price of his most closely competitive seller of that commodity for the same grade and size of an unadvertised brand.

Q. Do the provisions of Maximum Price Regulation No. 152 apply to stocks on hand packed during the 1941 pack?

A. No. The prices of any 1941 pack stocks on hand are controlled by the provisions of the General Maximum Price Regulation.

Q. In computing maximum prices on pickles, is the weighted average price in 1941 to be computed from sales made during the first 60 days after the pickles were put into brine or from sales made during the first 60 days after the pickles were put into containers?

A. The weighted average price in 1941 for each type of pickle is to be computed from sales made during the first 60 days after that type of pickle was first put into containers.

Q. Are canned dried peas affected by Maximum Price Regulation No. 152?

A. No. They are controlled by the provisions of the General Maximum Price Regulation.

Q. Is a canner of vegetables who delivers small lots directly to retailers, hotels and restaurants affected by Maximum Price Regulation No. 152?

A. Yes. He is a canner and must determine his maximum prices f.o.b. factory in the manner provided by the Regulation.

Q. When maximum prices are computed to fractions of a cent, should the nearest cent be used?

A. Yes. Any price that comes to a half cent or larger fraction may be rounded to the next higher whole cent.

## WAR DAMAGE INSURANCE

### Detailed Regulations Are Issued, with Insurance To Become Effective July 1

On June 2, 1942, the Secretary of Commerce announced the general provisions of the plan for operating the War Damage Corporation. All information available at that time was reported in the INFORMATION LETTER for June 6, and it was understood that a manual of regulations, rules and rates would be available on or about June 20. Regulations "A", War Damage Corporation, have now been issued to all authorized fiduciary agents and they are at present in a position to accept applications for War Damage Insurance.

The insurance to be written by the War Damage Corporation will not be effective until July 1, 1942, and, by the terms of the act authorizing the financing of the War Damage Corporation, automatic free insurance will continue in existence until July 1, 1942. After that date, only claims covered by insurance policies will be paid by the War Damage Corporation. Until otherwise provided by the Secretary of Commerce, insurance will be written on properties situated in the continental United States, Alaska, Virgin Islands, Hawaii, Puerto Rico and the Canal Zone.

Only one policy will be permitted to a canner on any one property (or group of properties, if written blanket), and only one policy will be permitted for any of the following types of coverage:

- Properties at fixed locations, and vehicles when specified (including pleasure aircraft or water craft while laid up ashore or afloat).
- Property in transit.
- Builders' risk on hulls.
- Cargo stored afloat.
- Hulls.
- Growing crops and/or orchards.

The effective date of all applications will be the date on which the application is received and the date stamped by the fiduciary agent (any authorized insurance carrier), and applications must be accompanied by cash, money order or check in full payment of the required premium.

The policies issued by the War Damage Corporation will cover only direct physical loss of, or damage to, the property insured by reason of enemy attack, including any action taken by the military, naval or air forces of the United States

## INFORMATION LETTER

in resisting enemy attack, and will not provide coverage for indirect losses.

The policy itself provides:

"No allowance shall be made for compensation for loss of use, loss of profits, loss resulting from delay or deterioration, loss or impairment of market, cessation of work, fixation of price or value, interruption of business or manufacture or occupancy, or for consequential loss."

The policy also limits the types of perils covered, and states that:

"The Corporation shall not be liable for loss caused directly or indirectly by: (a) blackout, burglary, robbery, theft, larceny, pillage or looting, sabotage, vandalism or malicious mischief; or (b) neglect of the insured to use all reasonable means to save and preserve the property after damage resulting from the perils herein covered."

No insurance will be written to cover accounts, bills, currency, deeds, evidences of debt, securities or money.

Policies written by the War Damage Corporation may be cancelled by the canner only in the event of change in ownership of the property or the canner's interest therein. If the policy is issued in violation of Regulations "A", however, the policy may be cancelled by the War Damage Corporation upon five days' written notice. In the event the canner disposes of or changes his interest in any portion of the property covered by the policy, it may be proportionately reduced in amount.

As suggested in the INFORMATION LETTER of June 6, 1942, blanket insurance may be issued where more than one property is under the same ownership, whether at one or more locations, provided the application and the schedule set forth the approximate distribution of the total coverage on all such properties according to the respective States, territories, possessions and cities of location. The rate for blanket insurance will be the rate for the highest rated building or location. All blanket insurance will be written subject to the "Pro Rata Distribution" clause unless 90 per cent of the value of the property is covered by insurance. Regulations "A" states that the pro rata distribution clause is designed to distribute proportionately the amount of insurance where more than one building or structure is covered under one blanket amount. This clause has the effect of pro-rating the total amount of the insurance in the proportion that the value of each building, structure or place bears to the total value of the buildings, etc., insured. The following illustration is given in Rule 28 of the Regulations:

If there is \$100,000 worth of merchandise in two buildings, and blanket insurance is in force in the amount of \$50,000, and if the value is distributed between the two buildings as follows:

In building A—Value.....	\$75,000
In building B—Value.....	25,000

Total value.....	\$100,000
------------------	-----------

the "Pro Rata Distribution" clause distributes the \$50,000 insurance as follows:

75/100 of \$50,000 in building A.....	\$37,500
25/100 of \$50,000 in building B.....	12,500

In other words, the effect of the "Pro Rata Distribution" clause is the same as if the property owner had carried insurance under two specific items, one for \$37,500 covering in building A, and one for \$12,500 covering in building B, instead of the one \$50,000 blanket amount.

A so-called "coinsurance clause" contained in the policy is required for all properties except dwellings, farm properties, growing crops, orchards and transit risks. In effect, the coinsurance clause means that the canner must carry insurance equal to 50 per cent of the value of the property insured if he wishes to collect in full for any loss suffered up to and including the face amount of the policy.

The illustration given by the War Damage Corporation is as follows:

Value.....	\$10,000
Insurance required by (50 per cent) coinsurance clause	5,000
Insurance actually carried.....	5,000
Loss.....	1,000

In this case, the property owner has carried sufficient insurance to comply with the 50 per cent "Coinsurance" clause and, therefore, the loss of \$1,000 would be paid in full.

The following is another illustration:

Value.....	\$10,000
Insurance required by (50 per cent) coinsurance clause	5,000
Insurance actually carried.....	2,500
Loss.....	1,000

In this case, since the property owner has carried only one half of the required amount of insurance, he would collect but one-half of his loss. The property owner would then recover only 50 per cent of his loss, or \$500.

In the case of a total loss under either illustration, the property owner would collect the face amount of the policy.

A separate form of application has been provided for insurance covering growing crops and orchards, but the limit of coverage for any one interest is \$100,000.

The rates are determined according to the construction classification, that is, fireproof construction or ordinary construction, and the coinsurance requirements set forth in Appendix A of the Regulations.

A very limited type of coverage is provided for vessels and cargo stored thereon. Insurance policies will not be issued on commercial fishing boats, and will be issued on pleasure craft only while laid up afloat or ashore. Insurance will be written on vessels used exclusively for storage, housing, manufacturing or generating power, and for the cargo stored thereon, while confined to the limits of the harbors or other inland waters of the United States, or while confined to the Great Lakes (including the waterways connecting them, and their harbors and tributaries in the United States), or while confined to harbors and inland waters of the Canal Zone, Puerto Rico, Virgin Islands and Territories of Hawaii and Alaska.

In the event of loss, the canner must give immediate written notice to the fiduciary agent (the insurance carrier) through which the policy was issued, must furnish a complete inventory of destroyed, damaged and undamaged property, stating the quantity, cost and actual cash value of each article and the amount claimed thereon, and must file with the Corporation a proof of loss within 60 days after such loss, unless such time is extended by the Corporation in writing. In addition, the canner insured must furnish whatever additional information is requested by the Corporation.

The article in the INFORMATION LETTER for June 6 furnished illustrative rates. Detailed information on rates will be available from authorized fiduciary agents participating in the plan.

### Cherry Growers Confer With Government

Officials of the red tart cherry growers associations of Michigan, Ohio, Pennsylvania and New York were in Washington during the past week to confer with government officials on problems connected with plans for the 1942 processing season. Among these problems is the rationing of sugar, as to which the group sought such modification as would furnish the same proportion of sugar to cherries that is provided under the sugar order for household canning. Conferences were held with the Agricultural Marketing Administration, Commodity Credit Corporation and Office of Price Administration.

### Transportation and Storage Ceilings Postponed

The effective date of the General Maximum Price Regulation as it applies to transportation, storage, and related services has been postponed to July 1, Price Administrator Leon Henderson announced June 17.

The GMPR specifically exempted rates charged by railroads and other common carriers offering their services to the general public. To other carriers and to services performed in connection with transportation the regulation applied on May 11 at the wholesale and industrial level and will apply on July 1 at the retail level. Supplementary Regulation No. 11, makes price ceilings effective at all levels on July 1.

The postponement applies to charges for transportation services of carriers other than common carriers; commercial storage and warehousing; stevedoring companies; car loading and car unloading companies; freight forwarders; consolidators or distributors not offering such services to the general public as common carriers; terminal services; services of transportation brokers, customs brokers, and transportation agents (other than employees of transportation companies); and pre-cooling, icing, ventilating and heating of shipments and transporting equipment.

The extension was made, OPA said, because of "the vital need of avoiding any possible interruption in the flow of commodities. Accordingly, persons furnishing such transportation and allied services are given further time in which to conform their establishments to the requirements of the General Maximum Price Regulation."

The postponement does not affect the record-keeping requirements of GMPR or the requirement that beginning July 1 persons under the regulation must have available for inspection statements showing their ceiling prices.

### Preserve, Jelly Packers Eligible for P-115

In reply to inquiries, the Food Branch of the War Production Board explained June 18 that manufacturers of preserves and jellies who pack their products in hermetically sealed containers, sterilized by heat, are permitted to operate under Order P-115 the same as canners of fruit and vegetables.

The order permits canners of fruits and vegetables to assign preference ratings to materials needed for maintenance and expansion of plants.

### WAR DEVELOPMENTS AFFECTING CANNERS

#### Price Controls and Other Regulations Imposed on Products Used in Food Packing

During the week a number of governmental regulations were issued by various agencies, affecting products that are used in canning operations. Highlights of some of these are given briefly in the following paragraphs:

*Burlap* conservation order (M-47) has been amended to enable the Commodity Credit Corporation to purchase frozen stocks and make them available to growers to relieve a shortage of crop-covering material on the West Coast. Scrap burlap, scrap bagging, and cotton mill waste again have been placed under the provisions of the General Maximum Price Regulation. These products originally were exempted from GMPR but have been placed under the regulation in order to preserve ordinary channels of distribution, the Office of Price Administration explained.

*Laboratory equipment* containing critical materials may only be delivered to agencies of the Government, according to Limitation Order L-144.

*Rubber* salvage drive, inaugurated by the President, got underway June 15 and is to continue to June 30. Old rubber articles may be gathered and delivered to any gasoline filling station where they will be purchased at 1 cent a pound. This material will be in turn resold to wholesale gasoline dealers who will store it pending final sale to the Government. Any citizen or business establishment having a warrantable amount of salvage rubber may sell his material direct to a dealer, if he so desires, states the War Production Board. The old rubber is being collected with the idea of ascertaining how much reclaim stock is on hand in the country, and the total will influence determination of authorities as to whether nation-wide gasoline rationing shall be imposed to conserve rubber now on the tires of the country's automobiles.

### Fruit and Vegetable Market Competition

#### Carlot Shipments as Reported to the Agricultural Marketing Administration by Common Carriers

Supplies of tomatoes and green peas on the fresh vegetable market for the week ending June 6, 1942, were smaller than for the corresponding week in 1941, but supplies of snap and lima beans and spinach were larger, according to Agricultural Marketing Administration, as evidenced by carlot shipments.

Supplies of citrus fruits also were larger for the week ending June 6, 1942, than for the same date a year ago.

The following table, compiled from statistics of the Agricultural Marketing Administration, gives detailed comparisons of carlot shipments on certain dates of selected vegetables and fruits:

VEGETABLES	Week ending—			Season total to—	
	June 13, 1941	June 13, 1942	June 6, 1942	June 13, 1941	June 13, 1942
Beans, snap and lima.....	60	144	211	3,622	4,405
Tomatoes.....	1,487	1,355	1,407	7,983	10,549
Green peas.....	137	34	115	2,426	2,631
Spinach.....	1	3	0	5,078	6,046
Others:					
Domestic, competing directly.....	807	908	979	26,758	31,731
Imports origin not specified.....	0	3	1	33	87
FRUITS					
Citrus, domestic.....	3,598	4,098	3,793	130,315	138,636
Others, domestic.....	709	678	423	7,011	7,849

## PEA CROP CONDITION AND ACREAGE

## Information for Week Ending June 18 Compiled by Division of Statistics

The 1941 and 1942 acreage of green peas planted for canning in each of the crop-reporting States is shown in the table that follows:

State	Planted Acreage			Reported Acreage		
	1941		1942			
	Alaskas Acres	Early Acres	Late Acres	Alaskas Acres	Early Acres	Late Acres
Me.		1,413	517	113	1,507	505
N. Y.	3,592	18,214	17,108	3,195	14,240	18,398
Md.	16,184	1,210	620	18,994	1,417	1,314
Del. and N. J.	2,897	2,819	1,505	2,578	5,900	.....
Pa.	3,649	1,415	1,556	5,211	1,070	3,453
Ohio	4,545	724	1,166	5,822	780	1,865
Ind.	9,327	462	430	11,156	546	200
Ill.	7,300	2,418	7,583	7,734	8,731	10,037
Mich.	3,858	2,653	3,815	5,055	4,825	2,363
Wis.	73,090	15,627	37,668	87,770	14,105	46,303
Minn.	8,608	1,725	15,704	11,580	1,532	20,046
Utah and Idaho	130	3,158	11,506	279	2,103	14,624
Wash. and Ore.	510	6,756	49,376	2,031	5,890	62,122
Other States	8,581	3,838	7,062	9,980	7,971	8,134

The following comments on the condition of the pea crop in the various districts have been reported by canners:

**NEW YORK I.**—Both Early Sweet and Late Sweet crop prospect excellent; vine growth very heavy. Estimating around 80 cases per acre on both varieties.

**NEW YORK III.**—Crop in this area normal. Plenty of moisture. Will start packing June 22. Should average about 70 cases.

**OHIO.**—Early peas 90 per cent harvested. Average 1,100 pounds per acre. Late peas thin on ground, look fair, with some aphids. Expect to start packing about June 25.

**INDIANA.**—Alaska pack about complete with yields of around 70 cases per acre. Pack of Sweets now in progress with prospects of about 50 cases per acre.

**WISCONSIN I.**—Alaska pack is about 40 per cent finished with yields averaging about 60 cases per acre. The remainder of the Alaska crop appears to be no better. Some report crops running to small siftings of good quality. Sweets in early blossoming stage, stands thin and weedy. Difficult to estimate probable yields at this time, because of too much rain and not enough sunshine.

**WISCONSIN II.**—Early peas estimated at about 60 per cent of normal crop. Sweets may be 80 per cent of normal, if weather during next three weeks is favorable.

**WISCONSIN III.**—Prospects for pea crop in this district reduced to about 40 cases per acre. By excessive rains Alaskas will be ready for canning the middle of next week.

**WISCONSIN IV.**—Will start canning Alaskas in this district about June 22. Alaska crop 70 per cent of normal, Sweets about 60 per cent. Estimate yield for both Alaska and Sweets about 60 cases per acre. Heavy rains cause of damage. Some acreage replanted.

**MINNESOTA.**—Alaska yields estimated 75 per cent. Large Sweet yield estimated at 85 per cent. Some areas severely damaged by water, hail and disease. Severe hail-storm struck June 17 damaging considerable acreage, from 50 to 100 per cent. Rainfall has been extremely heavy. Total for May, 6 to 10 inches over entire area. Bacterial blight and root rot causing considerable damage. Aphid infestation quite heavy but aphid are diseased 50 per cent. No dusting yet. Alaska vines averaging 20 to 25 inches in height. Large Sweets averaging 20 to 30 inches. Started packing Alaskas June 15. Estimate start packing Sweets June 28.

**UTAH.**—Condition pea crop reported to be very good in Utah with adequate moisture to make excellent yields. Prospects now indicate yields of about 130 cases per acre. Weather has been cool and rainy but is now warming up and peas are responding accordingly. Expect to start packing June 22.

**WASHINGTON-OREGON I.**—Weather cool with showers every few days. Vine growth very rank. Quality excellent. Yields on fields being harvested are running considerably above normal. Other canners report yields of about one ton per acre. Much of the acreage is about ten days behind schedule. There is danger of bunching of late fields.

## Canned Fowl and Eggs Subject to Price Order

Certain canned products were listed in an interpretation of the meaning of "eggs and poultry" under the General Maximum Price Regulation issued June 17 by the Office of Price Administration. Items that are considered to be "eggs and poultry" are exempt from control under the regulation. The OPA interpretation stated:

The following canned products are not deemed to be "eggs and poultry", within the meaning of the General Maximum Price Regulation, and accordingly, are subject to the maximum prices established by the Regulation:

Canned dried egg products, canned boned chicken, turkey, etc., canned whole chicken, turkey, etc., potted chicken, turkey, etc., chicken a la king, chicken bouillon cubes, chicken and egg noodle, chicken paste or spread, chicken and noodle soup, chicken soup, chicken broth soup, dried chicken broth, chicken gumbo soup, and country style chicken soup.

OPA pointed out that the exemption of "eggs and poultry" from price control does not relate solely to "unprocessed eggs and poultry," but also applies to "processed eggs and slaughtered poultry."

It was stated, however, that when processing or manufacture went as far as canning, the exemption would not apply.

"Canned foods," OPA stated, "constitute a distinct category of commodities, and the canning business is a branch of enterprise quite distinct from the egg business or the poultry business."

## Amendment Liberalizes Alaskan Fishing Rules

The Fish and Wildlife Service of the U. S. Department of the Interior has amended the Alaska Commercial Fisheries Regulations to permit an additional take whenever there is a continuing intensity of a run. The amendment, which became effective on June 19, states, in part:

"Whenever, by reason of the continuing intensity of any run or runs of fish during the fishing season covered by these regulations, the shortening or reopening, for a limited time, of a closed fishing period will permit an additional take of that amount of such run or runs that is in excess of the escapements required by the Act of June 6, 1934 (43 Stat. 465), then, in that event and for the sole purpose of permitting such additional take, the applicable closed fishing period shall be shortened or reopened for such limited fixed period of time as will not operate to diminish required escapements, and whenever, by reason of the diminishing intensity of any such run or runs, the lengthening of a closed fishing period will operate to insure required escapements, then, in that event, the applicable closed fishing period shall be lengthened for such fixed period of time as is necessary to permit said required escapements."